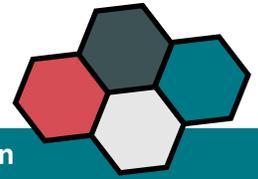




# ANNUAL REPORT OVERVIEW 2019



In 2019, there were 848 companies who participated in the state of Iowa's business, retention and expansion program. The following issues were identified as critical for economic growth and development for Iowa moving forward:

- Workforce: must be enhanced and grown.
- Sites, Buildings and Infrastructure: enhancement of community assets must be supported statewide.
- Innovation: must continue to be encouraged and supported for all Iowa companies.
- Market and Industry: economic development policies and practices must be timely and remain proactive to support Iowa businesses competing in a rapidly changing market place.
- Adverse Legislation and Public Policy: public policies and regulations are adversely affecting many Iowa companies.

## EXPANSION PLANS

PLANS TO EXPAND

375 Companies

NO ROOM TO EXPAND

153 Companies

NO EXPANSION AT CURRENT LOCATION

81 Companies

## WORKFORCE

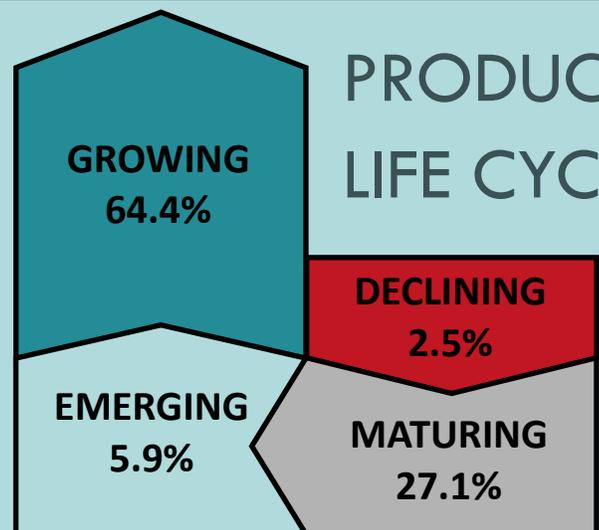
- 49.1% of the companies interviewed rated the availability of workforce in their area as low (a rating of 3 or less on a 1 to 7 scale).
- 74.1% of the companies stated they were experiencing workforce recruitment problems.
- The companies interviewed reported having 4,799 unfilled positions.
- 46.0% of the companies have plans to expand over the next three years and 22.2% of those companies stated their community in Iowa may not be considered due to workforce related issues.
- Workforce related issues were the most frequently identified barriers to growth for their communities.

**573** Companies stated they had introduced a new product/service over the past five years.

**544** Companies stated they anticipated introducing a new product/service in the next two years.

**182** Companies stated they had not introduced a new product/service over the past five years and do not anticipate doing so in the next two years.

## PRODUCT LIFE CYCLE



# RESEARCH AND DEVELOPMENT

**285**  
Companies  
(45.6%)

DO NOT  
invest in R&D

**162**  
Companies  
(47.6%)

Spent 1%-2% of  
sales on R&D

**93**  
Companies  
(27.4%)

Spent 3%-4% of  
sales on R&D

## AVERAGE PERCENT SPENDING ON R&D BUDGET



NEW PRODUCT  
DEVELOPMENT



PRODUCT  
IMPROVEMENTS



PRODUCTION  
IMPROVEMENTS

# MARKET

Nearly half (48.7%) of the companies interviewed stated their primary market was a national market. 29.7% stated regional, 13.6% international and 8.0% local.

97.9% of the companies stated their company's market share was either increasing (48.5%) or stable (49.4%).

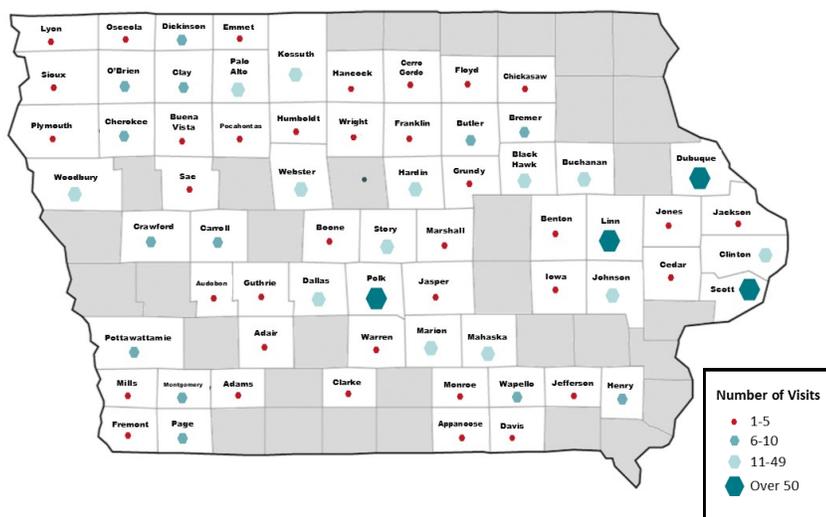
- Among the companies with a growing market share, 75.1% said their primary product/service was growing in its life cycle.
- 78.2% of the companies with a growing market share stated they had introduced a new product/service in the last five years and 73.7% anticipated introducing a new product/service in the next two years.
- Almost 40% of companies who stated their market share was stable said their primary product/service was maturing in its life cycle.

# PUBLIC POLICY

44.8% of companies surveyed anticipate federal, state or local legislative and regulatory changes that will adversely affect business in the next five years.

- Top legislative and regulatory concerns were related to tariffs, labor and workplace regulations, taxes and tax policy, and healthcare issues.
- More than half of respondents in the following industry clusters anticipate being adversely affected by legislative or regulatory changes: Health Services, Renewable Energy, and Automation & Industrial Machinery.

# DEMOGRAPHIC OVERVIEW



Companies



Counties



Communities